

## **Paying Cash for Medical Services? 7 Tips\***

Whatever **your** reason for paying cash for a medical service or item, the bill will likely be significant if not outrageous. Here are seven tips to help guide you to an appropriate, affordable and fair settlement.

### **1. Ask for a Cash Discount**

These usually run from 10% to 50% off. That does not mean you should stop there but it's better than full price.

Negotiate early: Ask for an estimate before any visit or intervention, go over each detail, agree to pre-pay a "paid in full-all inclusive" amount.

Ask about a hospital "charity fund". Based on household income, you may qualify for a full write-off, or partial adjustment of your bill.

Speak to the financial officer or billing manager. They may help you find assistance or work out a payment plan.

### **2. NEVER ever pay full price...if you can avoid it**

Many items are not payable in the first place. Many charges are components of a main service whose payment is calculated to include the sum of its parts (syringes for labs, oxygen monitoring in the ambulance ride, review of medications by the MD).

If it does not have a specific code, or a same code is used for different items, then it's "unlisted" and usually inclusive (the code usually ends in 9). It should only be listed as a reference, with a \$ 0.00 fee.

As a creditor, the office or facility must explain and justify every charge to you. Ask for explanations or proof of service.

**Meanwhile: make small monthly payments to show good faith, keep your account current and avoid collection action. Indicate when you will make contact to discuss a settlement.**

### **3. Do some research**

HHS (Dept of health and Human Services) has many basic billing guides on its website (CMS Payment Fact Sheet Series). Use the guidelines to point out non-billable items.

Google up! especially medications. If they have a generic option, chances are you were overcharged

Labs are often inflated. Basic CBC, CMP, or urinalysis usually are reimbursed at less than \$ 20.00.

### **4. Audit your billing (and medical) records**

Itemized bills record the complete list of all procedures, labs, medications, supplies, visits performed at the office or hospital. They should reflect your recollections and medical records. Mistakes are common!

Auditing your medical bills may require the clinical and medical coding knowledge from a professional, especially a facility bill, but it is well worth the investment.

Check for duplicate items or non-rendered services.

### **5. Sharpen those negotiating skills:**

Don't take the first offer and start low: 50% can usually be taken right off the top.

Offer one full "paid-in-full" remittance rather than monthly payments and save added interest. You will get larger discounts and better terms that way.

Make contact quickly: show good faith and you will meet more willingness to settle.

Try and pay the whole amount you agreed on. Ask family members or friends for donations, fundraise, apply for financial assistance, cash in your life insurance, use your HSA/FSA, or borrow from your 401(K)

Offer a check rather than a credit card. If a provider can save on their credit card processing fees, he might look more kindly on a discount.

If you must make monthly payments, offer to set up an automated payment through your bank or credit card to save on mailings and prove your intentions.

#### **6. Use apps like PokitDot:**

(Free for iPhone, iPad, iPod Touch, soon for Android)



· Locate providers in your area, compare costs and services, review options, request quotes and negotiate a fair price directly with the office or facility.

Even if you have insurance, find out if an upcoming procedure or visit is cheaper as a self-pay patient than using your policy (especially if you have a high deductible).

#### **7. Hire a Patient Advocate**

Not all patient advocates are skilled in negotiations and billing matters. Some, like myself, worked in the medical billing field for years, Familiar with coding, medical records, statements and reimbursement rates, we can sort through itemized bills effectively and know how to negotiate the lowest fees.

#### **Some things to remember:**

Like everyone else, your creditor is looking for a prompt payment that covers expenses and brings in some profits. After all, services were provided that should be paid for.

People on the other side of the phone call have not made the rules, established the fees or prompted your need for services. Be kind and understanding as their ability and authority to reduce your bill may be limited. If they cannot sign off on an agreement, ask to speak with a supervisor, or someone with that authority.

\* as seen on NerdWallet

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